THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI URMILABEN CHAMANBHAI PATEL): (a) to (f) The Thein Dam (Ranjit Sagar Dam) Project was originally sanctioned in April, 1982 at an estimated cost of Rs. 243.32 crores with a commissioning schedule of 1991-92.

The present estimated cost of the project is Rs. 2361 crores (March, 1995 price level) and the project is now scheduled for commissioning in 1997-98. The project envisages installation of 4 Units of 150 MW each which would generate 1502 Million Units per annum, basides providing irrigation benefits to 3.48 lakh hectares of land. The 4 Units of the project would be commissioned in September, 1997, November, 1997, January, 1998 and March, 1998 respectively.

Ulip by UTI

947. SHRI K.M. KHAN: Will the Minister of FINANCE be pleased to state:

(a) whether Unit Trust of India propose to launch Unit Linked Insurance Plan for investors;

(b) if so, the details thereof;

(c) whether some formalities have been prescribed for investors to join the scheme;

(d) if so, the details thereof with date of launching of scheme;

(e) whether UTI have prescribed some incentives for early investors; and

(f) if so, details thereof and if not, the reasons therefor?

THE MINISTER OF FINANCE (SHRI MANMOHAN SINGH): (a) to (d) The Unit Linked Insurance Plan (ULIP) has been in operation since 1.10.1971. The details of the plan are given in the enclosed statement (See below)

(e) and (f) The scheme is open for sale throughout the year except during the book closure period in June. Hence, there is no incentive for early investors.

Statement

Details regarding ULIP Plan

The Unit Linked Insurance Plan (ULIP) has been in operation since 1st October, 1971. Investors can joint ULIP for a 10 year term or a 15 year term. ULIP provides for life and accident insurance cover.

Any resident of India having a regular source of income who is above 12 years but below 55 years and 6 months of age can join the 10 year plan. In case of 15 year plan, the upper limit of age is 60 years and 6 months. Also physically handicapped and blind persons can join the plan.

The investor can join either the 10 year plan 15 year plan and can also join both under separate applications provided that the combined target under all such applications do not exceed Rs. 60,000/-. The minimum target amount is Rs. 6,000/ and contributions can be made annually or semi-annually. No medical examination is required and the investor has to give a declaration of health and age certified by a witness.

Out of the investors contribution, a small amount is paid to Life Insurance Corporation of India (who provide the Life Insurance cover). The accident insurance cover is provided by General Insurance Co. at a nominal cost.

The annual dividends payable on outstanding units are re-invested. In addition to dividend, the Trust offers a one time maturity bonus @ 5% for the 10 year plan and @ 7.5% for the 15 year plan.

Contributions made under the plan are eligible for rebate from income tax under section 88 of Income Tax Act.